

820 KAR 1:034. Pulltab dispenser construction and use.

RELATES TO: KRS 238.505(5), 238.545(1), (2)

STATUTORY AUTHORITY: KRS 238.515(2), (9), 238.545(1), (2)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 238.515(2) and (9) require the Department of Charitable Gaming to establish reasonable standards for the conduct of charitable gaming. KRS 238.545(1)(e) requires the department to establish standards for the use and control of pulltab dispensers. This administrative regulation establishes standards for the use and control of pulltab dispensers.

Section 1. Approval of an Automated Pulltab Dispenser. (1) An automated pulltab dispenser shall not be sold, leased, or otherwise furnished to any person in the state unless it has been approved by the department.

(2) Before approval by the department, a dispenser which is identical to the dispenser intended to be sold, leased, or otherwise furnished shall be certified by an independent testing laboratory that the dispenser satisfies the manufacturing requirements established in Section 2 of this administrative regulation.

(3) If granted, approval shall extend only to the specific dispenser model approved, and any modification shall first be approved by the department.

Section 2. Requirements for Automated Pulltab Dispensers. Each pulltab dispenser shall:

- (1) Contain a three (3) prong ground and surge protector, and shall be capable of withstanding static electricity;
- (2) Accommodate pulltabs of different sizes;
- (3) Be constructed so that customers can see how many pulltabs remain within the dispenser, or have resettable counters visible to the customer indicating the number of pulltabs left in each column of the dispenser;
- (4) Have an outlet or tray to catch dispensed pulltabs;
- (5) Accurately dispense the correct number of pulltabs;
- (6) Contain one (1) or more player buttons on the front of the dispenser to dispense pulltabs if pressed;
- (7) Contain a luminated electronic display to display the value of money deposited;
- (8) Be capable, if a malfunction occurs or the electrical power is interrupted after the money has been validated, of accurately redisplaying the value of the money after the malfunction or power is restored;
- (9) Not dispense any credits, or validate, read, or redeem a winning pulltab;
- (10) If using bill acceptors or similar devices that do not return change, clearly disclose that fact to the customer;
- (11) Not have a video screen or produce audio sounds except for security alarms;
- (12) Not resemble a slot machine or other gambling device;
- (13) Contain the manufacturer's name, dispenser's serial number and model number, and date of manufacture, all of which shall be permanently affixed to the side of the dispenser;
- (14) Have an on/off switch in an inconspicuous location on the exterior of the dispenser;
- (15) Not record test sales of pulltabs or money acceptances on the dispenser's accounting meters;
- (16) Contain a nonresettable accounting meter for total money validated and for the total of pulltabs dispensed and shall be capable of retaining this information for six (6) months after power has been disconnected;
- (17) Contain an EPROM microchip which holds the dispenser's programming code and

which is identical in all respects to the manufacturer's EPROM microchip approved by the department;

(18) Contain a RAM, or an EPROM microchip equipped with a RAM microchip, which shall maintain the same information as required in subsection (17) of this section for six (6) months after power has been disconnected. The microchip shall be installed with a tamper-proof seal inside the dispenser;

(19) Automatically discontinue operation if any nonresettable accounting meter, RAM microchip, or an EPROM microchip is disconnected; and

(20) Contain at least one (1) electronic money validator which shall:

(a) Only validate United States money;

(b) Not validate money in denominations in excess of twenty (20) dollars;

(c) Transmit the value of validated money to the pulltab dispenser;

(d) Be equipped with mechanisms to ensure that pulltabs will not be dispensed unless the money is validated and retained;

(e) Be capable of preventing acceptance of known counterfeit money;

(f) Return any invalid money to the player;

(g) Have at least one (1) removable stacker box capable of stacking bills or a removable drop box contained in a separate locked compartment; and

(h) Automatically discontinue accepting or validating money if a malfunction occurs or if electrical power to the dispenser or currency validator is interrupted.

Section 3. Automated Pulltab Dispensing Limitations. (1)(a) A charitable organization shall not use the dispenser until the charitable organization which previously used the dispenser has removed its pulltabs and money from the dispenser.

(2) Each charitable organization operating the dispenser shall place upon the dispenser an identification label which displays the organization's name and license number.

(3) The keys to open the locked doors to the dispenser's ticket dispensing area and cash box shall be solely in the possession and control of the designated chairperson of the charitable organization conducting the charitable gaming session.

(4) The entire deal of pulltabs shall be sold from the dispenser and shall not be sold on the floor.

(5) All pulltabs in any one column shall have the same serial number.

(6) A licensee shall not display, use, or otherwise furnish a dispenser which has in any manner been tampered with or which otherwise may deceive the public or affect a person's chances of winning.

(7) A pulltab deal shall not be placed in the dispenser until the entire deal of pulltabs previously in the dispenser has been played out or permanently removed.

(8) After placement in the dispenser, a pulltab shall not be removed from the dispenser, except for those pulltabs:

(a) Actually played by consumers;

(b) Removed by department representatives or law enforcement agencies;

(c) Temporarily removed during necessary repair, and maintenance; or

(d) Removed at the end of the gaming session.

(9) At least one (1) chairperson who is listed on the application for licensure shall be present at all times a pulltab dispenser is in use and shall be responsible for the administration and conduct of the pulltab dispenser.

(10) An organization utilizing a pulltab dispenser at its office location or owned premises shall only utilize the dispenser during business hours.

Section 4. Inspection. The department or its authorized representatives may examine and inspect any automated pulltab dispenser. The examination and inspection shall include immediate access to the dispenser and unlimited inspection of all parts of the dispenser.

Section 5. Recordkeeping. (1) Each licensed charitable organization shall maintain the following information in connection with its use of an automated pulltab dispenser:

- (a) Date of purchase or lease of each dispenser;
 - (b) Model and serial number of each dispenser;
 - (c) Purchase or lease price of each dispenser;
 - (d) Name, address, and license number of the distributor from whom the dispenser was purchased, leased or otherwise furnished; and
 - (e) A record of all maintenance and repairs relating to the dispenser.
- (2) Manufacturers and distributors shall maintain the following information in connection with each sale or lease of a dispenser:
- (a) Date of sale or lease;
 - (b) Quantity sold or leased;
 - (c) Cost per dispenser;
 - (d) Model and serial number of each dispenser; and
 - (e) Name, address, and license number of the purchaser or lessee.
- (3) All records, reports, and receipts relating to dispenser sales, maintenance and repairs required to be maintained shall be retained for a period of three (3) years for examination by the department.

Section 6. Defects. (1)(a) If the department detects or discovers any defect or malfunction with the dispenser, that is not temporary in nature or affects the integrity or security of the pulltab game, the department shall direct the manufacturer, distributor or organization to cease the sale, lease, or use of the dispenser, as applicable, and shall require the manufacturer to correct the defect, malfunction, or problem or recall the dispenser immediately upon notification by the department to the manufacturer.

(b) If the manufacturer, distributor, or organization detects or discovers any defect or malfunction with the dispenser, which is not temporary in nature, the entity shall immediately remove the dispenser from use and notify the department of that action. (32 Ky.R. 805; 1279; 1643; eff. 3-31-2006; 42 Ky.R. 930; 1-4-2016.)